

# **UTILITIES SERVICE BOARD MEETING**

**April 28, 2008**

***Utilities Service Board meetings are recorded electronically or stenographically and are available during regular business hours in the office of the Director of Utilities.***

Board President Swafford called the regular meeting of the Utilities Service Board to order at 5:00 p.m. The meeting was held in the Utilities Service Board room at the City of Bloomington Utilities Department Administrative Building in Bloomington, Indiana.

Board members present: Tom Swafford, Jeff Ehman, John Whikehart, Tim Henke, Pedro Roman, Jason Banach and ex-officio member Tom Micuda. Staff members present: Patrick Murphy, John Langley, Shawn Miya, Katie Carter, Courtney Bennett, Danny McConnell, Vickie Renfrow, Mike Hicks, Mike Bengtson, Jon Callahan, Michael Horstman, Tom Staley, Phil Peden, Mark Jacobs, Rachel Atz and Mike Trexler. Others present: Mark Menefee representing Indiana University, Lee Balliet representing the Labor Management Committee, Sarah Morin representing the Herald Times, Margaret Fette representing the Libertarian Party and Ben Beard representing Gentry Estates.

## **MINUTES**

***Board member Ehman moved and Board member Henke seconded the motion to approve the minutes of the March 31<sup>st</sup> and April 14<sup>th</sup> meetings. Motion carried, 6 ayes, 1 member absent, (Roberts).***

## **CLAIMS**

***Board member Whikehart moved and Board member Ehman seconded the motion to approve the claims as follows:***

***Claims 0890543 through 0890616 including \$325,072.92 from the Water Operations & Maintenance fund, \$27,900.00 from the Water Construction fund and \$100.00 for water hydrant meter rental for a total of \$353,072.92 from the Water Utility; Claims 0830330 through 0830370 including \$140,083.20 from the Wastewater Operations & Maintenance fund for a total of \$140,083.20 from the Wastewater Utility; and claims 0870030 through 0870035 including \$63,259.27 from Storm water and \$62,150.10 from the Storm Water construction fund for a total of \$125,409.46 from the Wastewater/Storm water Utility. Total claims approved – \$618,565.58.***

Board member Ehman asked about the claim for Snedegar Construction. He remembered that there had been an estimation for a part of that project concerning how much rock they might run in to. Assistant Director of Engineering Bengtson said that he was planning to address that during Staff Reports.

***Motion carried, 6 ayes, 1 member absent, (Roberts).***

***Wire transfers and fees for the month of March 2008:***

***Board member Roman moved and Board member Ehman seconded the motion to approve the wire transfers and fees for the month of March 2008 in the amount of \$603,953.06.***

Board President Swafford asked if the Russell Road Water Company was just about paid off. Assistant Director of Finance Horstman said it would be paid of in September of 2009.

***Motion carried, 6 Ayes, 1 member absent, (Roberts).***

## **ANNUAL LMC REPORT:**

Deputy Director Langley said that as of this year the Labor Management committee will have completed 7 years of service to Utilities. They continue to focus on some very important issues in the work place. The first issue being communication, also safety and training has been an important focus. Mr. Langley said that it is going quite well. The strongest focus of the LMC at this time is plant safety and operations training and certification. Both programs are very strong and going very well.

Mr. Langley introduced 2 LMC members who were at the meeting. One was Danny McConnell who is the senior maintenance coordinator at Dillman Rd. and also Mark Jacobs who is an operator at the Blucher Poole Plant. Lee Balliet, who is the advisor for the LMC, was also in attendance.

During the past year the LMC amended their by-laws to make conducting business a little easier and they developed a new employee orientation packet to aid employees in learning about the LMC. This packet includes background and contact information. They also requested, and received, a vote of confidence from the American Federation of State, County and Municipal Workers, local 2487 which is a very valuable letter of support for the LMC. A paper proposal was submitted to the Federal Mediation and Conciliation Service which was not accepted. It was a proposal that the LMC appear at their meeting to talk about the fact that they have lasted for such a long time. They have also continued to work on new Standard Operating Procedures for the treatment plants which have been going very well. The annual survey of employee's attitudes and opinions was conducted. There was some criticism that the LMC as a group felt they should respond to. They assigned the task of meeting with each individual employee at both plants to the executive council and they were joined by Dr. Balliet. They are still working through what they learned in those meetings but the outcome should be positive.

Senior Maintenance Coordinator McConnell thanked the USB for supporting the LMC.

Dr. Balliet, consultant for the LMC, said that he had agreed, along with a plant employee from both Blucher Poole and Dillman Road, to go through the process of sitting down for 15 – 20 minutes with every non-LMC member to explore the concerns expressed in the employee survey. What they found, aside from the usual griping and grumbling that comes from a large mix of employees some of which are legitimate and the LMC will deal with them, what was most noticeable was the extent to which some employees don't understand the limits that have been placed on the LMC. Some employees believed that because the LMC has a budget they should be able to use it as they wish. If everyone were to decide to travel to California to visit a treatment plant they should be able to. Mr. Balliet thinks there is now a better understanding of the relationship of the LMC to AFSCME, the Utilities Department and the City. Finally he said that in the 5 years that he has worked with the LMC he has seen a change in the culture in the plants. There is now a community of workers, both salaried and hourly, that didn't exist 7 years ago. Communication has improved greatly. More attention is paid to safety and training which have become a very high priority. Mr. Balliet then thanked the USB for their support of the LMC.

Deputy Director Langley introduced two Indiana University School of Public and Environmental Affairs Service Corps interns; Courtney Bennett who works in Finance and Katie Carter who is the facilitator for the LMC. She organizes meetings, writes up minutes, etc. Mr. Langley said that

Utilities is very fortunate to both have the program and these particular individuals who are a big help.

Board President Swafford thanked Mr. Langley, Mr. Balliet and the LMC members. He said they do a great job and it is appreciated. He believes that the USB feels strongly that they will continue to support the efforts of the LMC.

#### **PRE-TREATMENT PERMIT FOR SABIN CORPORATION:**

Pre-treatment Coordinator Shawn Miya introduced the pre-treatment permit for Sabin Corporation. They manufacture disposable plastic medical parts. The manufacturing processes include plastic extrusion, thermo forming, injection molding and compounding. An example is that they make plastic tubing by extruding the plastic which they then set by using water to cool the plastic. The analytical parameters for testing their process wastewater come from chapter 40 Code of Federal Regulations part 463, subpart a. The permit limitations are based on Utilities' local limits for oil, grease, biological oxygen demand, total suspended solids and pH. They will be required to submit a base line monitoring report within 90 days and will be required to submit self-monitoring reports on a bi-annual basis.

Ex-officio board member Micuda asked Ms. Miya how long Sabin Corp. had been in this particular pre-treatment program. Ms. Miya replied that this is their first permit.

Board President Swafford asked if there had ever been any problems with Sabin. Ms. Miya said there had not. She took some baseline samples and their concentrations have been very low.

***Board member Banach moved and board member Roman seconded the motion to approve the pre-treatment permit for Sabin Corporation. Motion carried, 6 ayes, 1 member absent, (Roberts).***

#### **APPROVAL OF THE NEW LANGUAGE FOR RULE 24:**

City attorney Renfrow said that this version reflects the Rules & Regulations Subcommittee's ideas about what language should be included in this rule from this point on. It sets out that in developing the map of the sewer service area the city will continue to consider, as it has in the past, the City's Growth Policies Plan and the Counties' Comprehensive Plan, which is required by statute, as well as input from City and County governmental and non-governmental organizations and individuals. Area A, which is the service area part of the map, mainly is the city municipal boundaries but also goes beyond that in some areas. The USB delegates to the Director the authority to make decisions in area A as to whether requests for extension of sewer services will be granted. The staff will determine what information they need to make that decision. Once all the materials the staff needs to make a decision have been submitted the staff must make the decision within 30 days. If the applicant is not happy with the staff's decision they can follow the appeal process set out in the provision in the rule regarding appeals to the USB.

In area B, which is the exclusionary area, requests for extensions will be submitted to the Utilities Administration in writing. It would first be considered by the appropriate USB subcommittee and then by the full board. When the request is submitted the Director will notify a list of offices of the City and County that could have an interest in whether or not an extension is granted. This list includes the City & County Planning Departments, the Plan Commissions, the Mayor, the City Common Council, City Legal, County Commissioners, County Health Department, County Drainage Board, County Legal and other parties deemed appropriate. These people will be invited to give whatever input they might have on the application. Upon consideration of the

recommendation of the Subcommittee and consideration of the full USB, the request will be approved or denied.

The timeline that is set out for the process is that once the application is complete and all the information has been submitted it must be heard by the USB subcommittee within 30 days. The other provisions in the last two sections of the rule are pretty much unchanged. They set out that the entity making the request has the obligation to pay all the costs associated with the extension and if it is an extension outside the municipal boundaries there must be a waiver of the right to protest annexation executed and filed.

Board member Henke, who is the Chair of the Rules & Regulations Subcommittee, said that the Rule that is being proposed has been approved by the Subcommittee. It reflects the discussion the USB had at their last meeting. It is a pretty simple rule which will be flexible enough to deal with changing circumstances in the future.

***Board member Whitehart moved and board member Henke seconded the motion to approve the new language for Rule 24. Motion carried, 6 ayes, 1 member absent, ( Roberts).***

#### **OLD BUSINESS:**

Board member Roman said that he had noticed that several of the claims were related to the Interlocal Agreement. He asked that a meeting of the Finance Subcommittee be called so they can discuss the Interlocal Agreement and formalize Utilities financial arrangements with the City. Utilities Director Murphy said he would check with the Civil City to see if they are ready for a meeting.

Board member Ehman said that he agrees. Claims were passed in this meeting that were under a non-existing agreement.

Board member Henke asked Utilities Director Murphy about the Decree order that the USB has been dealing with for most of the year. He wanted to know when it will be finalized and presented to the USB. Mr. Murphy said that IDEM has not formally responded about the SSO elimination plan. When their response is received it will be brought to the USB. Mr. Henke said that the plan had been sent to IDEM months ago. He wondered when they would respond. Mr. Murphy said that when one was submitted to them last year it took about 7 or 8 months for them to respond. He hopes to see it within the next 45 days.

#### **NEW BUSINESS:**

No new business was presented.

#### **SUBCOMMITTEE REPORTS:**

There was a Rules and Regulations Subcommittee meeting that was reported on during Agenda item VI.

#### **STAFF REPORTS:**

Utilities Director Murphy said that Black & Veatch has finished answering the questions the USB had about the Long Range Water plan.

Board President Swafford asked if the USB would prefer to meet with Black & Veatch on the next Monday or wait to do it prior to the next meeting. They agreed to schedule it as a part of the next USB meeting.

Mr. Murphy said the USB had been provided with copies of a letter Utilities had received that was the result of an inspection on August 31<sup>st</sup>. Indiana Code 13-18-16-6 which has to do with operation and maintenance of public water systems. Title 16 is for Public water supplies. That says that all public water systems must be continuously operated and maintained so the water is safe in quality and clean and adequate in quantity and chemically satisfactory for ordinary domestic consumption. The person who is responsible for the operation of a public water system shall take all measures that are necessary to carry out the requirements of subsection a, so as to protect the quality and quantity of the raw water supply from actual or threatened contamination. These measures include the relocation of the point of raw water collections to a site that is not contaminated or threatened by contamination. The letter also cites, in respect to Utilities, the current operation exceeds 90% of firm capacity.

Assistant Director of Engineering Bengtson said that on August 31<sup>st</sup> there was an inspection by IDEM during which they took a survey of the plant. About 2 weeks ago the field inspectors met with Mr. Bengtson at the plant. They said that as a result of the survey they had some questions about the capacity of the plant. Mr. Bengtson spent a week gathering the information which he sent to them. This letter is the result of their examination of all aspects of the plant and its treatment chain. The filters were considered to be a bottle neck. Of the 5 days cited by the inspectors 2 of them were actual peak days but there are 3 days when the use was higher than were listed by the inspectors. Mr. Bengtson's calculations actually showed 22.2 mgd as the average. He has informed the inspectors of that but he hasn't received a response. Utilities will have to respond within 120 days which Mr. Bengtson does not believe will be a problem.

Board President Swafford asked Mr. Bengtson to go through the points made in the letter in more detail.

Mr. Bengtson said;

They looked at the source of water for Utilities and the agreement with the DNR to buy the water.

They attempted to look at the records that had been submitted to IDEM to determine the 5 peak days in the last 2 years. Mr. Bengtson found higher days than they had found for 3 of the 5 days which will result in a revision. This was an attempt to see if 90% of the 24 mgd from Monroe WTP had been exceeded. The 90% point is 21.6 mgd, Mr. Bengtson has found that the 5 actual peak days is 22.2mgd.

They looked at the firm capacity of the filters which they say is 18 mgd which is because if one filter is out of service the Plant's capacity would go from 24 to 18 mgd. A fifth filter is needed to get to the 24 mgd.

They looked at the transfer pumps which were alright. The biggest pump can be out of service and Monroe WTP can still pump 24 mgd.

They considered the storage in the clear well which has a capacity for 5 million gallons stored on site.

Then they looked at the rated capacity of the high service pumps which are able to pump 24 mgd.

Mr. Bengtson commented that the one thing he found absent in the report was an evaluation of the intake tower. Work has been done at the intake tower and the capacity of the 4 pumps at it has been upgraded so they can pump 24 mgd with the largest pump out of service.

Board member Henke asked if the other peak days were also in 2007. Mr. Bengtson said they were. On September 3<sup>rd</sup> the average was 21.71 mgd, on the 4<sup>th</sup> it was 21.93, and on the 21<sup>st</sup> it was 21.85. On August 29<sup>th</sup> it was 22.438 mgd.

Mr. Henke then asked about off-site usable storage capacity. Mr. Bengtson said that while he could name the capacity of all the tanks, the usable amount in each tank is different depending on the elevation it is drawn down to. Mr. Henke asked if that was because some of the capacity is used for water pressure. Mr. Bengtson agreed. He said in general the top 20 feet of each tank is used although in certain areas it can go lower than that. Mr. Henke asked why the State wouldn't have included that information. Mr. Bengtson said they are only looking at the plant. There was no evaluation of distribution.

Board member Roman said that the problem appears to be that Monroe WTP has 4 filters where it needs 5. Mr. Bengtson said another duplicate filter is needed but he thinks that a revised letter will be received that will show that demand has been over 90% of 24 mgd so even if another filter were built it would still show that the plant is at capacity. Mr. Roman asked if option number 2 would allow Utilities to present to IDEM the installation of a fifth filter combined with plans to decrease customer demand. He said he has 2 problems. One is the State takes a position that they want something from Utilities. He wants to make sure that the USB doesn't make big decisions based on this. The second thing is that he wants to be sure there is a rational commitment from the State of Indiana to provide whatever water is needed if the plant is updated according to their instructions. Also, he thinks they may just want to know what the plans are so they can do their own plants.

Capital Projects Manager Hicks gave an update on the Monroe Water Treatment Plant filter rehabilitation project that is underway with Maddox Industrial Contractors. The May 1<sup>st</sup> deadline, when the contractor was to have all the work associated with the filters complete, is coming up. They will miss that date by about 2 weeks. Maddox is completing work on the fourth filter. Then they need to do a small amount of work on valves on filters number 1 or 2. Mr. Hicks does not believe this will cause any problems with utilities ability to produce quality water. There are 2 or 3 other tasks. One is to paint the interior of the backwash holding basin tank. They will remove the existing coating and apply a new coating. There is also a 36" check valve that will need to be replaced. On Thursday night there was a complete plant shut down which is a very rare event. It was down for about 6 hours for a planned valve replacement. It was completed successfully.

Board President Swafford said it's nice to hear that plans sometimes go well.

Assistant Director of Engineering Bengtson said he wanted to respond to the question about Snedegar Construction. He said they did run into some rock as they got closer to the lift station so they did have to pay a premium for that work. The point has almost been reached where that lift station can be de-commissioned. There are new pumps all ready to be installed at the Fieldstone Lift Station then the new force main may be used. The State is accusing Utilities of holding up their road widening project. As soon as the old force main has been abandoned they will be able to start grading down some of the banks the old force main is in.

#### **PETITIONS AND COMMUNICATIONS:**

Board member Whitehart said he is pleased that the matter of the plant expansion is being brought back for the agenda of the next USB meeting. He is concerned about a couple of things.

One is that the report was first received last June so it is now nearly a year from that time. There are estimates that each year the project is delayed the cost for it could be increased by 6%. The next meeting will be the third opportunity for public input and discussion. During the last meeting he was troubled to hear that if ground was broken on this project tomorrow it could still be 4 to 5 years before the plant is up and running. At this point it is no longer a plan for a 2010 capacity issue but is a plan for 2013. To not act on this is making a decision. At every meeting where this is not brought to a conclusion the expansion plan is, in effect, being rejected.

Board member Roman said he agrees with board member Whikehart but his problem with it is when he looks at the demographics of this they are not there. There are institutions and municipalities that are consuming water that is treated at Monroe WTP. He still has questions about how they are going to pay for a reasonable portion of the capital investment the current rate payers of the Utility are going to have to make. That's his main concern. He would like Black & Veatch to explain to him how the water treatment can be expanded and how it can be paid for.

Board member Ehman asked Mr. Roman if what he is suggesting is that the average use of water by the current users is not going up. New users will reap the benefit of the plant expansion. Mr. Roman agreed. He said the institutions who buy water from Utilities are the main cause for this capital investment. The demographics for the City of Bloomington don't make the case for the expansion now in his opinion. The County is growing, most of the numbers are County related and based on an increase. However, at least a portion of that increase is something that it should be possible to transfer to these other institutions. If the City of Ellettsville is growing at the rate of 10 percent per year they are partially responsible for the capital investment needs so they should find a way to pay for that. Mr. Roman said he doesn't know how State law regulates the way this increase can be transferred to a wholesale customer. He does not oppose this project and believes in the need for it. He just wants to be fair.

Utilities Director said that Crowe Chizek can speak to that and they will be at the next meeting. He said he knows there have been instances where municipalities have tried to distinguish between City residents and non-city residents. That is something that can be discussed at the next meeting.

#### **ADJOURNMENT:**

The meeting was adjourned at 5:45 p.m.

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**L. Thomas Swafford, President**